

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

**SEARS AUTHORIZED HOMETOWN  
STORES, LLC,**

Petitioner,

v.

**MG MANAGEMENT CO., LLC;  
MATTHEW GOFORTH; MALINDA  
GOFORTH; and MALINDA'S SUGAR  
& SPICE, LLC,**

Respondents.

**Case No. 1:20-cv-02207**

**RESPONDENTS' MOTION FOR  
ENTRY OF JUDGMENT  
CONFIRMING APPELLATE  
ARBITRATION AWARD**

**MOTION**

Respondents hereby move for entry of a judgment granting Respondents' Motion to Confirm the appellate arbitration award made on January 14, 2021 in American Arbitration Association Case No. 01-19-0001-7845, and confirming that appellate arbitration award under the Federal Arbitration Act, *see* 9 U.S.C. § 9.<sup>1</sup> Respondents further move for entry of a judgment dismissing with prejudice the petitions and motions filed by Sears Authorized Hometown Stores, LLC in Case No. 1:21-cv-00746 and 1:20-cv-02207, as provided in the Stipulated Order Partially Granting Motion for Relief from Automatic Stay attached to this motion as Ex. 01. This motion is supported by the memorandum set forth below and the exhibit attached to this motion.

Dated May 30, 2023.

*s/ Will Riddell*  
\_\_\_\_\_  
**Will Riddell, OSB No. 195635**  
494 State Street, Suite 300  
Salem, Oregon 97301  
Phone: (503) 362-8966  
Email: Riddellw4@gmail.com  
Attorney for Respondents

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<sup>1</sup> The Motion to Confirm was filed on February 11, 2021 in the United States District Court for the Northern District of Illinois, Case No. 1:21-cv-00746. That case was consolidated with this case on April 12, 2022. *See* ECF No. 44.

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**MEMORANDUM**

On December 12, 2022, Petitioner Sears Authorized Hometown Stores, LLC filed a bankruptcy petition in Delaware Bankruptcy Court. By that time, the parties had fully briefed (1) respondents' motion to confirm the appellate arbitration award referenced above in Case No. 1:21-cv-00746; and (2) petitioner's motion to vacate that award and motion to confirm the initial award from the same arbitration. This case was stayed while respondents sought relief from the automatic bankruptcy stay. *See* ECF. No. 46.

On May 25, 2023, the bankruptcy court entered a Stipulated Order Partially Granting Motion for Relief from Automatic Stay. *See* Ex. 01. The order terminated the automatic bankruptcy stay imposed on this case and authorized entry of a judgment confirming the appellate arbitration award referenced above. *See id.* ¶ 2. The order also requires the petitions and motions filed by Sears Authorized Hometown Stores, LLC in Case No. 1:21-cv-00746 and 1:20-cv-02207 to be dismissed with prejudice. *See id.* ¶ 3.

Under 9 U.S.C. § 9, the court "must" confirm an arbitration award "unless the award is vacated, modified, or corrected as prescribed in sections 10 and 11 of this title." 9 U.S.C. § 9. As a result of the order requiring the dismissal with prejudice of the petitions and motions filed by Sears Authorized Hometown Stores, LLC, *see* Ex. 01 ¶ 3, no basis exists to vacate, modify, or correct the appellate arbitration award. Accordingly, the appellate arbitration award referenced above must be confirmed under 9 U.S.C. § 9.

Dated May 30, 2023.

*s/ Will Riddell*  
**Will Riddell, OSB No. 195635**  
494 State Street, Suite 300  
Salem, Oregon 97301  
Phone: (503) 362-8966  
Email: Riddellw4@gmail.com  
Attorney for Respondents

### **CERTIFICATE OF SERVICE**

I hereby certify that I served the foregoing **Respondents' Motion for Entry of Judgment Confirming Appellate Arbitration Award** on the following persons on **May 30, 2023**, in the manner described below.

Fredric Cohen  
Tara Goodarzi  
Allison Grow  
Cheng Cohen LLC  
363 West Erie Street, Suite 500  
Chicago, Illinois 60654  
Phone: (312) 243-1701  
Emails: Fredric.cohen@chengcohen.com  
Allison.grow@chengcohen.com  
Tara.goodarzi@chengcohen.com

☐ by hand-delivery  
☐ by facsimile  
☐ by first class mail  
☒ by e-mail  
☒ by electronic service

Dated May 30, 2023.

*s/ Will Riddell*  

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**Will Riddell, OSB No. 195635**  
494 State Street, Suite 300  
Salem, Oregon 97301  
Phone: (503) 362-8966  
Email: Riddellw4@gmail.com  
Attorney for Respondents

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

**SEARS AUTHORIZED HOMETOWN  
STORES, et al.,**

Debtors.<sup>1</sup>

Chapter 7

**Case No. 22-11303 (BLS)**

Jointly Administered

**STIPULATED ORDER PARTIALLY GRANTING MATTHEW GOFORTH,  
MALINDA GOFORTH, MG MANAGEMENT CO., LLC, AND MALINDA'S  
SUGAR AND SPICE, LLC'S MOTION FOR RELIEF FROM AUTOMATIC STAY  
UNDER SECTION 362 OF THE BANKRUPTCY CODE**

THIS MATTER is before the Court on the Motion for Relief from Automatic Stay under Section 362 of the Bankruptcy Code filed by Matthew Goforth, Malinda Goforth, MG Management Co., LLC and Malinda's Sugar and Spice, LLC (collectively, "Goforth"), which requested an order permitting Goforth to continue two pending proceedings involving Sears Authorized Hometown Stores, LLC in the United States District Court for the Northern District of Illinois (Case Nos. 1:21-cv-00746 and 1:20-cv-02207) and the American Arbitration Association (Case No. 01-21-0000-4263). The Court has determined that (a) it has jurisdiction over the Motion under 28 U.S.C. § 157 (b) (2); (b) venue is proper under 28 U.S.C. § 1409 (a); (c) the relief sought is appropriate; and (d) notice of the Motion was properly provided. The Court further finds that the parties have stipulated to the relief granted by this order as shown by their signatures below.

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<sup>1</sup> The Debtors in this case and the last four digits of their federal tax identification numbers are: Sears Authorized Hometown Stores, LLC (9641) and Sears Hometown Stores, Inc. (8358). The Debtors' mailing address is 5500 Trillium Blvd., Suite 501, Hoffman Estates, Illinois 60192.

After due deliberation and sufficient good cause appearing therefore:

IT IS HEREBY ORDERED that:

1. The Motion for relief from the automatic stay to permit Goforth to continue the pending arbitration and appellate arbitration proceeding before the American Arbitration Association, Case No. 01-21-0000-4263, is STAYED indefinitely. Goforth may seek renewed consideration on this motion by providing the Trustee with thirty (30) days notice of its intention to revive this motion.
2. The Motion for relief from the automatic stay to permit Goforth to continue the pending cases in the United States District Court for the Northern District of Illinois, Case Nos. 1:21-cv-00746 and 1:20-cv-02207, is GRANTED. Goforth is hereby granted relief from the automatic stay pursuant to 11 U.S.C. § 362, and the automatic stay is hereby terminated, for the sole purpose of seeking confirmation of the final arbitration award on appeal in American Arbitration Association Case Number 01-19-0001-7845. Goforth may seek, and the district court may enter, a judgment confirming the appellate arbitration award as requested by Goforth's motion to confirm pursuant to the Federal Arbitration Act. Neither the Trustee, nor the Estates, shall have any obligation to appear, defend or otherwise litigate any further proceedings therein.
3. The Trustee hereby stipulates that the petitions and motions, including the motion to vacate the appellate arbitration award, filed by Sears Authorized Hometown Stores, LLC in the pending cases in the United States District Court for the Northern District of Illinois, Case Nos. 1:21-cv-00746 and 1:20-cv-02207, are withdrawn and shall be dismissed with prejudice. The Trustee and the Estates shall have no further obligations with respect to these pending cases.

4. This Order is immediately effective and is not stayed by operation of law, notwithstanding the stay provisions of Fed. R. Bankr. P. 4001 (a) (3).

IT IS SO STIPULATED:

**Counsel for Movants:**

/s/ Peter K. Schaeffer # 5255

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**Peter K. Schaeffer (No. 5255)**

Billion Law  
1073 S. Governors Ave.  
Dover, Delaware 19904  
Phone: (302) 428-9400  
Email: Markbillion@billionlaw.com

**Counsel for Trustee:**

/s/ Gregory F. Fischer #5269

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**Gregory F. Fischer (No. 5269)**

**Mark E. Felger (No. 3919)**  
1201 North Market Street, Suite 1001  
Wilmington, DE 19801  
Telephone: (302) 295-2000  
Facsimile: (302) 295-2013

*And*

Will Riddell, OSB No. 195635  
494 State Street, Suite 300  
Salem, Oregon 97301  
Phone: (503) 362-8966  
Email: Riddellw4@gmail.com

It is so ordered this \_\_\_\_ day of May, 2023:

Dated: May 25th, 2023  
Wilmington, Delaware

  
BRENDAN L. SHANNON  
UNITED STATES BANKRUPTCY JUDGE